

MEMORANDUM

August 5, 1982 4221

TO: BOSTON REDEVELOPMENT AUTHORITY

FROM: ROBERT J. RYAN, DIRECTOR

SUBJECT: CHAPTER 121A APPLICATION OF MT. PLEASANT ASSOCIATES - I

On July 15, 1982, the Authority conducted a public hearing to consider the above-captioned 121A Application.

The Project consists of the rehabilitation, operation and maintenance by the Applicant of 98 apartment units of housing for low or moderate income persons on various sites on Intervale, Copeland, Waverly and Brunswick Streets in the Roxbury section of Boston.

Authority staff has examined the application and found that it contained sufficient evidence in support of the project to make those findings and determinations necessary to proceed with the approval of the Project.

An appropriate Vote follows:

VOTED: That the document presented at this meeting entitled "Report and Decision on the Application of Mt. Pleasant Associates-I for the Authorization and Approval of a Project under Massachusetts General Laws (Ter. Ed.) Chapter 121A, as Amended, and Chapter 652 of the Acts of 1960, to be undertaken and carried out by a limited partnership organized pursuant to M.G.L. c. 109 and approval to act as an Urban Redevelopment Limited Partnership under said Chapter 121A" be and hereby is approved and adopted.

BOSTON REDEVELOPMENT AUTHORITY

REPORT AND DECISION ON THE APPLICATION OF OXFORD PLACE ASSOCIATES FOR THE AUTHORIZATION AND APPROVAL OF A PROJECT UNDER MASSACHUSETTS GENERAL LAWS (TER. ED.) CHAPTER 121A AS AMENDED, AND CHAPTER 652 OF THE ACTS OF 1960, TO BE UNDERTAKEN AND CARRIED OUT BY A LIMITED PARTNERSHIP ORGANIZED PURSUANT TO MASSACHUSETTS GENERAL LAWS, CHAPTER 109, AND APPROVAL TO ACT AS AN URBAN DEVELOPMENT LIMITED PARTNERSHIP UNDER SAID CHAPTER 121A.

A. The Hearing. A public hearing was held at 2:00 P.M. on July 15, 1982 in the offices of the Boston Redevelopment Authority (hereinafter called the "Authority"), at the New City Hall, Room 921, Boston, Massachusetts 02201, by the Authority on an Application dated May 28, 1982 (hereinafter called the "Application"), filed by Robert H. Leigh, Vice President of CEDC Realty Corp., General Partner, and William J. Leong, President, Chinese Economic Development Council, Inc., Limited Partner, on behalf of Oxford Place Associates for authorization and approval of a redevelopment project under Chapter 121A of the General Laws of the Commonwealth of Massachusetts and Chapter 652 of the Acts of 1960, as amended (hereinafter called the "Project"), due notice of said hearing been given previously by publication on July 5 and July 12, 1982, in the Boston Herald American, a daily newspaper of general circulation published in Boston, and mailing postage prepaid in accordance with Rule 4 of the Rules and Regulations of the Authority for securing approval of Chapter 121A projects, and in accordance with the provisions of Section 13 of Chapter 652 of the Acts of 1960, as amended. Robert Farrell, James K. Flaherty and Clarence Jones were present at the hearing.

B. The Project. The proposed development area is located at 13-25 Oxford Street, Central Business/Chinatown District of Boston. A full metes and bounds description can be found in Exhibit A to the Application.

The Project consists of the acquisition of the land and building by the Applicant, and the construction, rehabilitation, operation and maintenance thereon of 39 dwelling units. This is a neighborhood strategy area project approved by HUD and the City of Boston. Additionally, the two adjacent parcels of vacant land are to be acquired by the Applicant for use as a park to provide approximately 2,00 square feet of open space for the Project. All of the units in the proposed project will receive rental assistance under Section 8 of the U.S. Housing Act of 1937, as amended. The Project will consist of one 6-story building fronting on Oxford Street, which will contain 39 dwelling units: 22 one-bedroom apartments, 15 two-bedroom apartments, and 2 three-bedroom apartments. Two of the one-bedroom units will be designed for handicapped persons, and the design of the Project will include ramps and other necessities for the handicapped. All of the units will be equipped with carpeting and the newest kitchen equipment, including electric ranges, refrigerators, disposals, fans and window air-conditioning. Each unit will be individually metered for electricity usage. Due to the size of the Project Area and its location in the most densely populated area of the City of Boston, parking facilities will not be provided to the residents. Information was submitted to the Authority sufficient to establish that the majority of the residents will avail themselves of the public transportation facilities available in this area for access to shopping and recreational facilities. The appurtenant facilities will include a laundry room, a central trash chute and compactor and an approximately 2,000 square foot landscaped park. Attached to this Application is a site plan for the Project Area. There is also incorporated into the Application as Appendix II floor plans and elevations for the buildings and Appendix III, Project Drawings.

C. Authority Action. In passing upon the Application, the Authority has considered the Application itself, all documents, plans and exhibits filed therewith or referred to therein, the oral evidence presented at the hearing, the exhibits offered in evidence at the hearing, and arguments and statements made at the hearing.

D. Project Area. The Project as defined in the Application constitutes a "Project" within the meaning of Section 1 of Chapter 121A of the General Laws, providing, as it does, for the acquisition, rehabilitation and construction in a blighted, substandard and decadent area of decent, safe, and sanitary housing for persons of low income and handicapped persons.

The Project area is blighted, decadent and substandard, as those terms are defined in Section 1 of Chapter 121A, because the vacant land parcels had been owned by the City of Boston, which had taken the property for nonpayment of taxes. The foreclosure by the City was the last step in the process of the economic deterioration of this site. The site had originally contained dwelling structures which were demolished due to destruction by fire. These buildings had not been replaced, and the vacant land generated no financial contribution to the neighborhood or the city. The succeeding foreclosure by the City for nonpayment of taxes is evidence of the deteriorated condition of this site. Furthermore, the lots are littered with trash and debris and served as a de facto dumping area. The parcels were also used as a non-regulated parking lot and as a result the ground is marked by oil and gasoline spills. The current condition of these parcels constitutes a continuing blight and health menace to the neighborhood. The existing structure adjoining such parcels is a vacant telephone company building which is boarded and in a state

of disrepair. The building is obsolete in terms of utilization by the telephone company for its operations and thus was vacated in 1978. It is improbable that under existing conditions the building would be reused by the telephone company or other business enterprise due to the cost of rehabilitation and the size of the lot. Based on these conditions, the existing building is, in our opinion, decadent and substandard.

The combination of a vacant and boarded structure and a trash strewn vacant lot is evidence of a blighted, open, substandard and decadent condition which if not remedied by governmental assistance will result in the spread of blight and decay in the neighborhood area. The conditions that exist at present in the Project Area are detrimental to the health, safety and sound growth of the Chinatown community and are conditions which have not and probably will not be remedied by the ordinary operations of private enterprise.

The following is quoted from the architect's report on substandard and decadent conditions of the structure:

"The proposed project involves renovation of an existing brick building of three floors and a basement at 13-21 Oxford Street, into family housing. It is formerly a telephone exchange building and is at present abandoned and deteriorated.

The building structure has shown substantial aging, and there are some cracks on the exterior masonry bearing walls. With no interior insulation on these walls, the building is energy inefficient. Most of the existing windows are broken, and all should be replaced since they are only single glazed and are not weather tight. Large areas of existing flooring are damaged and covered with debris; and there are some holes through the floor around. All interior partitions and hung ceilings are either damaged, or destroyed, revealing electric wires behind which posed a potential fire hazard. Further damages to

the interior are caused by major leaks in the roof and broken skylights.

Existing heating system consists of antiquated steam radiators and old inefficient oil burning boilers. The plumbing and sewer services are, antiquated, inadequate, and have undersized and damaged pipes; also, existing venting system is substandard. Similarly, the existing electrical services are inadequate and unsafe. There is no elevator inside the building, and no interior egress stair; at present, egress is by means of a dilapidated exterior firescape which is clearly unacceptable. Exterior masonry surfaces have cracks and those areas near grade have substantially discolored over the years.

In general, major modification and upgrading to both the inside and the outside of this building are required for the proposed rehabilitation."

The site would not be developed without the real estate taxes being limited to a percentage of the Project's estimated gross annual income, evidenced by the requirement of the mortgage lender attached to the Application. Percentage levels as a basis for taxation can only be lawfully agreed to by the City of Boston under General Laws, Chapter 121A and Section 6A. These conditions and other factors referred to in the Application and this Report and Decision warrant the carrying out of the Project in accordance with Chapter 121A.

For these reasons it is found that the Project area is a blighted, decadent and substandard area within the meaning of Chapter 121A as amended. It is unlikely that the conditions will be remedied by the ordinary operations of private enterprise.

The Project will provide substantial financial return to the City of Boston. The amounts to be paid in lieu of real estate taxes by the Applicants are set forth in the Application. There shall be paid to the City of Boston a percentage payment in lieu of real estate taxes, in each of the 40 calendar years after approval of the Project.

E. Cost of the Project. In the opinion of the Authority, the cost of the Project has been realistically estimated in the Application and the Project is practicable.

The estimated minimum cost of the Project will be approximately Two Million One Hundred One Thousand Dollars (\$2,101,000). The Project is expected to receive commitments for construction mortgage and permanent financing from MHFA and mortgage insurance from FHA, conditioned upon the granting of Chapter 121A status by the Boston Redevelopment Authority and the Mayor of the City of Boston. It is anticipated that both the construction and permanent loans will be funded from the proceeds of the sale of tax-exempt obligations issued by MHFA at a rate of interest one-half of one percent above the cost of the money borrowed by MHFA to make such a loan. The 121A Entity of which the Applicants are general and limited partners, will syndicate approximately 98% of the interest in the partnership to person or persons not yet known which person(s) will be admitted as limited partners in consideration of their agreement to contribute capital to such limited partnership.

An amount equal to 80% of the total replacement cost of the Project will be provided by mortgage financing provided by MHFA through the sale of tax-exempt obligations issued by MHFA. The total replacement cost of the Project and the loan amount for construction and permanent financing are spelled out in Appendix V attached to the application.

Equity capital will be raised by the 121A entity through the admission of limited partners in exchange for capital contributions. In addition, Chinese Economic Development Council, Inc., as a community development entity, has received from the Office of Economic Development of the Community Services Administration funds in the amount of \$208,000 for initial development activities

The Project will provide the City of Boston with a stable source of revenue in the nature of Chapter 121A payments for many years, without restricting these payments to the so-called 2 $\frac{1}{2}$ % cap.

There will be no displacement of residential or commercial occupants. The Project will have a positive economic impact on the neighborhood surrounding the Project Area and on the City of Boston. During construction of the Project, the Project general contractor will be required, to the best of its ability, to grant preference in hiring to Boston residents.

H. Environmental Considerations. Pursuant to the provisions of Section 61 of Chapter 30 of the General Laws (as inserted by Chapter 781 of the Acts of 1972), the Authority hereby finds and determines that the Project will not result in significant damage to or impairment of the environment and further finds and determines that all practicable and feasible means and measures have been taken, or will be utilized, to avoid or minimize damage to the environment.

As a result of the investigations and report of the Authority's staff and of its own knowledge, the Authority hereby finds that.

1. The Project will not adversely affect any open space or recreation area or any aesthetic values in the surrounding area.
2. The Project will not adversely affect any archaeological or historical site, structure, or feature.
3. The Project will not adversely affect any significant natural or man-made feature or place but is determined to be compatible with the surrounding environment.

in connection with the Project and has contributed to the Project development services valued at \$234,771 by MHFA. The Council also received \$75,000 in CDBG funds for this Project. The term of the permanent mortgage will be forty (40) years and the construction period will be twelve (12) months.

The following are all the persons, natural or corporate, who, prior to the completion of the Project, have or will have, directly or indirectly, any ownership interest in the Project. Oxford Place Associates and its General and Limited Partners; Massachusetts Housing Finance Agency (MHFA); Community Services Administration; United States Department of Housing and Urban Development (HUD); Federal Housing Administration.

F. Consistency with Master Plan. The Project does not conflict with the Master Plan for the City of Boston as the Project Area comes within a classification in the Master Plan which permits buildings and uses of the kind proposed by the Applicants.

G. Effect of the Project. The Project will not be in any way detrimental to the best interests of the public or the City of Boston or to the public safety and convenience and is not inconsistent with the most suitable development of the Projected Area neighborhood or of the City. The Project will, in fact, forward the best interests of the City and will constitute a public use and benefit. The Plans of the structure to be rehabilitated within the Project Area have been reviewed by the Design Review Staff of the Authority. The Authority finds that this Project will enhance the general appearance of the Area and furnish high-quality, affordable rental units which are greatly needed in Chinatown, as well as an approximately 2,000 square foot landscaped park area for use by the entire Chinatown community.

4. Being located in an urban area, the Project will not affect any wilderness area or area of significant vegetation and will not adversely affect any rare or endangered fisheries, wildlife or species of plants.
5. The Project will not alter or adversely affect any flood hazard area, inland or coastal wetland, or any other geologically unstable area.
6. The Project will not involve the use, storage, release, or disposal of any potentially hazardous substances.
7. The Project will not affect the potential use or extraction of any agricultural, mineral, or energy resources.
8. The Project will not result in any significant increase in consumption of energy or generation of solid waste.
9. The Project will not adversely affect the quantity or quality of any water resources and will not involve any dredging.
10. Except necessarily during the construction phase, the Project will not result in the generation of a significant amount of noise, dust, or other pollutants, and will not adversely affect any sensitive receptors.
11. The Project will not adversely affect any area of important scenic value.
12. The Project will not conflict with any Federal, State, or local land use, transportation, open space, recreation, and environmental plans and policies.
13. The Project will require deviations from the Zoning Code of the City of Boston as further detailed herein, but not in such a manner as will cause damage to the environment.

In order to avoid or minimize any damage to the environment, the Authority hereby requires that the applicant comply with the City of Boston Air Pollution Control Commission's Regulations for the Control of Noise and Regulations for the Control of Atmospheric Pollution during all phases of construction activity.

In addition, during the renovation phase of the project, all existing asbestos shall be properly removed, handled, and disposed of in order to mitigate possible adverse impacts on air quality. At least 20 days prior to the removal of any friable asbestos, the applicant shall notify the Massachusetts Department of Environmental Quality Engineering in accordance with the provisions adopted under 310 CMR 7.00, Section 7.02, 7.09, and 7.15.

Prior to the installation and operation of any equipment which will emit pollutants to the ambient air, the applicant shall notify DEQE and shall obtain written approval in accordance with the provisions of 310 CMR 7.02.

The applicant also shall submit documentation to DEQE to insure that any existing transformers containing PCB fluids located in the building are properly disposed of.

I. Minimum Standards. The minimum standards for financing, construction, maintenance, and management of the Project as set forth in Supplemental Material, Oxford Place Associates, 121A Application, Item 1, filed with and attached to the Application, are hereby adopted and imposed as Rules and Regulations (in addition to those hereinafter adopted and imposed) applicable to this Project for the same period as the Project is subject to the provisions of Chapter 121A of the General Laws and Chapter 652 of the Acts of 1960, as amended.

In addition to the minimum standards set forth in Item 1 of Supplemental Material, the Authority hereby requires that the Applicants, prior to obtaining a building permit, (1) enter into a Regulatory Agreement with the Authority pursuant to the requirements of General Laws, Chapter 121A, Section 18C and containing such other terms and conditions as the Authority may in its discretion deem necessary and appropriate; (2) submit to the Authority for its review and approval all plans and specifications for the Project as the Authority may require and accept such changes and modifications thereto as the Authority may deem necessary or appropriate, and (3) adhere to such design review controls and requirements as the Authority may in its discretion impose. (4) The Authority further requires as a condition of approval of this Application, that all obligations of the Applicant, or of any partner of the Applicant, for unpaid taxes on any property within the City of Boston, shall be discharged by payment, abatement, or other appropriate disposition within six months after the date of final adoption of this Report and Decision.

The carrying out of the Project will not require a permit for the erection, maintenance, and use of a garage within 500 feet of one or more buildings occupied in whole or in part as a public or private school having more than 50 pupils, or as a public or private hospital having more than 25 beds, or as a church.

The Project does involve the construction of units which constitute a single building under the State Building Code and Boston Zoning Ordinance, but the carrying out of the Project will not require a declaration of the Authority, with the approval of the Mayor, that such units constitute separate buildings for the purpose of Chapter 138 of the Massachusetts General Laws.

J. Zoning Code Deviations. Appendix X to the Application lists the Zoning Code deviations requested for the reasons set forth in the Application and the

evidence presented at the hearing. The Authority finds that the deviations attached hereto and incorporated by reference as Exhibit "A" are necessary for the carrying out of the total project and are therefore granted without substantially derogating from the intent and purposes of the applicable laws, codes, ordinances and regulations respectively.

K. Duration of Period of Tax Exemption. The Applicant seeks an increase in the basic fifteen (15) year statutory term to forty (40) years by the granting of a twenty-five (25) year extension of the project's period of tax exemption pursuant to applicable provisions of Chapter 121A because the project consists of housing financed by federal programs to assist the rehabilitation of low income housing. Such extension is hereby granted.

L. Decision. For all the reasons set forth in the foregoing report, the Authority hereby approves the undertakings by the Applicant of the Project pursuant to Chapter 121A of the General Laws and Chapter 652 of the Acts of 1960, subject to the provisions as set forth above.

EXHIBIT A

OXFORD PLACE ASSOCIATES 121A

SUMMARY OF PERMITTED ZONING DEVIATIONS

Section 8-7 (8) Multi-family dwellings are conditional uses in an
M district.

*Section 17-1. Open space per dwelling unit:

Required (in an H-2-65 district)	-	150 sq. ft.
Provided	-	51 sq. ft.

*Section 20-4. Rear Yard:

Required (in an H-2-65 district)	-	20 ft.
Provided	-	None.

Section 21-1. Setback of parapet:

Required	-	8.35 ft. on Oxford Street
		20.85 ft. on rear lot line
Provided	-	None on Oxford Street
		None on rear lot line

*The Authority grants these deviations at the request of the Applicant even though in the opinion of the Authority's Zoning Section neither is required for a pre-existing structure in an M district, despite the change in use or in the height of the building.



CEDC Counts On You

華人經濟發展協會
Chinese Economic Development Council, Inc.

31 Beach Street • Suite 200 • Boston, Ma. 02111

梁偉康

William J. Leong
Executive Director

Tel. (617) 482-1011

July 16, 1982

Robert L. Farrell, Esq.
Chairman
Boston Redevelopment Authority
One City Hall Square
Boston, MA 02201

RE: Oxford Place Associates

Dear Mr. Farrell:

At the public hearing held by the Boston Redevelopment Authority on Thursday, July 15, 1982, on the application of the above captioned entity for approval as a 121A entity in the City of Boston, the Board requested that the applicant provide to the board a letter agreeing to the condition relative to the resolution of the unpaid real estate taxes assessed against the property at 2-22 Boylston Street (the "Boylston Building") which is owned by Chinese Economic Development Council, Inc., the limited partner of the applicant.

Please be advised that the undersigned, Chinese Economic Development Council, Inc., CEDC REALTY CORP. and Oxford Place Associates hereby agree to the condition to be set forth in a report and decision of the Authority requiring a resolution of unpaid real estate taxes assessed against the Boylston Building within six (6) months of the date of project approval.

We further advise you that immediate steps are being taken to resolve the tax issue. We fully understand the risk to the project if a resolution is not obtained within your required time limit. We accept this risk but are confident that through discussions with the Commissioner of Assessing for the City of Boston a final resolution of these taxes will be accomplished within the time allowed by the BRA.

Robert L. Farrell, Esquire
July 16, 1982
Page 2

We would like to express to you our appreciation of the Board's willingness to allow this project to go forward and we restate our intention that the tax situation will be resolved without delay.

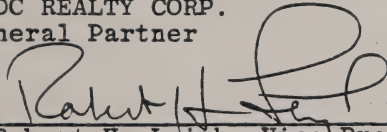
Very truly yours,

OXFORD PLACE ASSOCIATES

By: CEDC REALTY CORP.

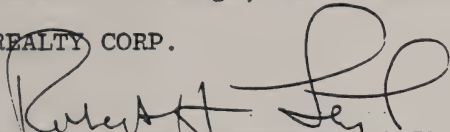
General Partner

By


Robert H. Leigh, Vice President

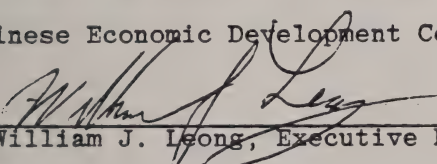
CEDC REALTY CORP.

By


Robert H. Leigh, Vice President

Chinese Economic Development Council, Inc.

By


William J. Leong, Executive Director

cc: James F. Flaherty
Clarence Jones
William A. McDermott
Joseph J. Walsh
Kane Simonian
Robert J. Ryan
Harold Stoddard
William E. McGrath
Alice Gray

JUL 0 8 1961

Massachusetts Housing Finance Agency
30 Milk Street
Boston, MA 02109

Gentlepeople:

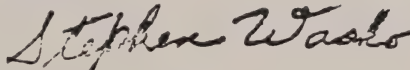
SUBJECT: Project No. 023-35225 EC, Oxford Place, Boston, Mass.

Enclosed please find original and one copy of FHA Form 2432, Commitment for Insurance of Advances, in the amount of \$2,104,600 under Section 221(d)(4) of the Housing Act; FHA Forms 2264, Project Income Analysis, and FHA Forms 2264-A, Supplement to Project Income Analysis. One copy of each of these forms is for the use of the sponsor.

Your attention and that of the sponsor is called to the various conditions of this commitment and, in particular, to Item 8 which requires that any change in sponsorship, upon which this commitment is predicated, must be requested in writing and approved by this office; also, to Item 10 which indicates that the commitment will expire on August 1, 1962 and to additional conditions noted on Page 4 of this commitment.

A firm commitment conference should be scheduled for this project at your earliest convenience. Please contact Ms. Ellen Kantrowitz, Telephone Number 223-4164, to arrange for this conference.

Sincerely,



Stephen Wasko
Deputy Director for Development
Housing Division, 1.1HD

Enclosures

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
HOUSING - FEDERAL HOUSING COMMISSIONER

COMMITMENT FOR INSURANCE OF ADVANCES
(SECTIONS 207, 220, 221, 231, 232, 242 and 810; and TITLE XI)

Amended

To: <u>Massachusetts Housing Finance Agency</u> (Mortgagee)	Project No. <u>023-35225 EC</u> <u>Barkan Construction Company, Inc.</u> <u>CEDC Realty Corporation</u> (Name of sponsor(s))
<u>50 Milk Street</u> (Street)	<u>Chinese Economic Development Council, Inc.</u> <u>20 Hudson St., Boston, Mass.</u> (Address)
<u>Boston, Mass. 02109</u> (City and State)	<u>Oxford Place Associates</u> (Name of proposed Mortgagor)

The Federal Housing Commissioner, acting herein on behalf of the Secretary of Housing and Urban Development, will endorse for insurance under the provisions of Section 221d(4) of the National Housing Act, and the Regulations thereunder now in effect, a mortgage note in the amount of \$ 2,104,600, to be secured by a mortgage, on the property located at 13-25 Oxford Place, Boston, Mass. and consisting of approximately 7,206 square feet. The insurance endorsement will be subject to compliance with the requirements of the Regulations, and the terms and conditions set forth below. The mortgage amount, however, is subject to reduction prior to final insurance endorsement of the mortgage note as provided in the Regulations.

1. The mortgage note shall be payable in monthly installments in accordance with the payment provision checked and completed below:

(a) ☐ Combination Declining Annuity Plan

The loan shall bear interest at the rate of _____ percent per annum payable on the first day of each month on the outstanding balance of principal. The first payment to principal (commencement of amortization) shall be due on the first day of the _____ month following the month in which the mortgage is dated. The mortgage shall provide that the first payment to principal shall be in the amount of \$ _____. Thereafter, on the first day of each succeeding month until the _____ installment has been paid, an installment of principal shall be paid in an amount equal to _____ percent of the principal payment which became due on the first day of the next preceding month. The _____ payment and, until the mortgage is paid in full, each succeeding payment shall be in an amount equal to _____ percent of the last preceding payment. The maturity and final payment date shall be _____ years and _____ months following the due date of the first payment to principal (commencement of amortization).

(b) ☐ Accelerating Curtail Declining Annuity Plan

The loan shall bear interest at the rate of _____ percent per annum payable on the first day of each month on the outstanding balance of principal. The first payment to principal (commencement of amortization) shall be due on the first day of the _____ month following the month in which the mortgage is dated. The mortgage shall provide that the first payment to principal shall be in the amount of \$ _____. Thereafter, on the first day of each succeeding month until the entire indebtedness has been paid, an installment of principal shall be paid in an amount equal to _____ percent of the principal payment which became due on the first day of the preceding month. The maturity and final payment date shall be _____ years and _____ months following the due date of the first payment to principal (commencement of amortization).

(c) ☒ Level Annuity Monthly Payment Plan

The loan shall bear interest at the rate of 12 percent per annum payable on the first day of each month on the outstanding balance of principal. The first payment to principal (commencement of amortization) shall be due on the first day of the 15th month following the month in which the mortgage is dated. The loan shall be payable on a level annuity basis by 480 monthly payments of principal and interest in the amount of \$ 21,224.90. The maturity and final payment date shall be 39 years and 11 months following the due date of the first payment to principal (commencement of amortization).

(d) ☐ Level Annuity Monthly Payment Plan (Sec. 221(d)(3) Below Market Interest Rate Mortgage)

The loan shall bear interest at the rate of _____ percent per annum payable on the first day of each month on the outstanding balance of principal up to and including the date of final endorsement of the secured note. Thereafter, the loan shall bear interest at the rate of _____ percent per annum payable on the first day of each month on the outstanding balance of principal.

The first payment to principal (commencement of amortization) shall be due on the first day of the _____ month following the month in which the mortgage is dated. The loan shall be payable on a level annuity basis by _____ monthly payments of principal and interest in the amount of \$ _____. The maturity and final payment date shall be _____ years and _____ months following the due date of the first payment to principal (commencement of amortization).

2. A project shall be constructed on the mortgaged property in accordance with Drawings and Specifications filed with the Commissioner and designated as Oxford Place, FHA Project No. 023-35225 EC, dated May 22, 1981. The Drawings and Specifications, which include "General Conditions of the Contract for Construction" (AIA Document A201) and "Supplementary Conditions of the Contract for Construction" (FHA Form No. 2554), shall be identified in a manner acceptable to the Commissioner by the following parties or their authorized agents: Mortgagor, Design Architect, Architect administering the Construction Contract, Contractor and the Contractor's Surety.

3. At least 15 days prior to the anticipated date for initial insurance endorsement of the mortgage note, two draft copies of each of the following documents and exhibits shall be submitted to the Commissioner. After review, the place and date of the initial closing will be designated, at which time the following documents and exhibits in final form shall be delivered to the Commissioner for approval:

(a) The mortgage and the note evidencing the debt secured.

(b) The Building Loan Agreement (FHA Form No. 2441) between the Mortgagee and the Mortgagor governing advances of the mortgage proceeds.

(c) The Construction Contract (FHA Form No. 2442 or 2442A) between the Mortgagor and the General Contractor whereby the project is to be built.

(d) Contractor's Certification of Labor Standards and Prevailing Wage Requirements.

(e) Agreement and Certification executed by the Mortgagee and Mortgagor.

(f) Owner-Architect Agreement (appropriate FHA Form).

(g) Title evidence in conformity with the Regulations which shall show that title to the property on the date of initial endorsement of the mortgage for insurance is vested in the Mortgagor free of all encumbrances other than the mortgage, and free of all reservations of title (either junior or prior to said mortgage), except such as are specifically determined to be acceptable by the Commissioner. If such title evidence is in the form of a title insurance policy, it shall by its terms inure to the benefit of the Mortgagee and the Secretary of Housing and Urban Development, as interest may appear. Such title evidence must be accompanied by a survey of the property, together with the Surveyor's Certificate showing that there are no easements or encroachments upon the subject property except those acceptable to the Commissioner, which survey will be extended from time to time during construction to show that the improvements on the site have been erected solely upon the land covered by the mortgage and within the building restriction lines, if any, on said land and do not encroach upon or overhang any land not covered by the mortgage nor upon any easement or right-of-way. Evidence will be required to show that the premises are not zoned or restricted so as to prevent the construction of the improvements, and that building and other permits have been issued by legally constituted authorities having jurisdiction.

(h) Assurance of the completion of the project.

(i) Assurance that adequate sewer, water, gas, and electric facilities will be fully installed prior to completion of the project and that necessary public streets, sidewalks, and curbing outside the project site, if not yet constructed, will be fully completed within a reasonable time after completion of the project.

(j) The Mortgagee's Certificate itemizing the charges made by you in connection with the mortgage transaction and evidencing the collection by you or your nominee from the Mortgagor of the following sums to be applied to the following items:

(1) Deposit to meet cost of equipping and renting the project subsequent to completion of the entire project or units thereof, and to be applied to taxes, mortgage insurance premiums, property insurance premiums and assessments required by the terms of the mortgage accruing subsequent to initial endorsement of the mortgage for insurance, and not included in the proceeds of the mortgage ... \$ 42,092. (NOTE: For Section 232 Nursing Home Projects this deposit is required only for accruals of taxes, mortgage insurance premiums, property insurance premiums and assessments.)

(2) Funds, if any, required over and above mortgage proceeds for completion of the project ... \$ 545,573. This sum represents the difference between the Commissioner's estimate of the total cash required for carrying charges, financing, and for construction of the project, including builder's fees (or builder's and sponsor's profit and risk allowance, if any), architect's fees, and the maximum amount of the mortgage to be insured. These funds may be reduced by so much of the profit and risk allowance and fees, up to a maximum of \$ 234,880, as the closing documents show are not to be paid in cash.

(3) Escrow deposit, if any, to cover off-site utilities and streets... \$ N/A.

(4) The Mortgagor shall establish to the Commissioner's satisfaction that, in addition to the proceeds of the insured mortgage, the Mortgagor has funds in the amount of \$ N/A , or has made financial arrangements acceptable to the Commissioner in order to meet the expenses of the project from the date of initial occupancy until _____ months after the date of final endorsement as the Commissioner estimates is necessary to establish a profitable operation. The funds shall be deposited with the Mortgagee or other depository acceptable to the Commissioner on or before the date of initial endorsement, and such funds shall be held in a special account under an agreement approved by the Commissioner.

(k) The Escrow Agreement providing for the deposit, if any, required by Item (j)(3) of this paragraph and covering off-site utilities and streets.

(l) The Mortgagor's Certificate certifying to the priority of the mortgage and to other matters set forth therein.

(m) The instrument under which the Mortgagor entity is created, unless the Mortgagor is an individual.

4. The Mortgagor must possess the powers necessary for operating the project and meeting all the requirements of the Secretary of Housing and Urban Development for insurance of the mortgage. At the initial insurance endorsement of the mortgage note, there shall be filed with the Commissioner copies of all instruments or agreements necessary under the laws of the applicable jurisdiction to authorize the execution of the mortgage and the other closing documents, and a Regulatory Agreement or other instrument to permit the Commissioner's regulation of the Mortgagor as to rents, charges, and methods of operation. Such instrument shall provide, among other things, for the establishment of a Reserve Fund for Replacements under control of the Mortgagee by payment of \$ 8.118. per annum, to be accumulated monthly commencing on the date of the first payment to principal as established in the insured mortgage, unless a later date is agreed to by the Commissioner.

5. (a) Approval of advances in accordance with the Building Loan Agreement must be obtained on a form prescribed by the Commissioner prior to the date of each advance to be insured. A Contractor's Prevailing Wage Certificate will be filed with the request for approval of each advance which includes a payment for construction costs.

(b) During the course of construction, the Commissioner and his representatives shall at all times have access to the property and the right to inspect the progress of construction, and an inspection fee in the amount of \$ 11.607 shall be paid upon the initial insurance endorsement of the mortgage note. The inspection of construction by a representative of the Commissioner shall be only for the benefit and protection of the Secretary of Housing and Urban Development.

(c) Upon completion of the project in accordance with the Drawings and Specifications the mortgage note will be finally endorsed for insurance to the extent of the advances of mortgage proceeds approved by the Commissioner, subject to reduction as provided in the Regulations.

6. Any change in the Drawings and Specifications or in the conditions upon which this commitment is based, which may occur after the date hereof, shall be explained in writing, or in a supplementary application if required by the Commissioner, and must be approved by the Commissioner prior to initial endorsement. Any such change occurring subsequent to initial endorsement must be brought to the attention of the Commissioner immediately upon occurrence, and, except for such changes in the Drawings and Specifications which may be authorized by the Architect, must be approved by the Commissioner prior to the date on which the Commissioner is requested to approve any further advance for insurance. Changes in the Drawings and Specifications which result in any net construction cost increase, or will change the design concept, or will result in a net cumulative construction cost decrease of more than 2% of the contract amount may be effected only with the prior written approval of the Lender and the Commissioner. The Commissioner's approval of any change described above may be subject to such conditions and qualifications as the Commissioner in his discretion may prescribe.

7. If under the laws of the jurisdiction in which the project is located, the personal property of the Mortgagor, which is used in the operation of the project, is not covered by and subject to the real estate mortgage, the Mortgagee shall require and receive from the Mortgagor, prior to the final insurance endorsement of the mortgage note, a Security Agreement and a Financing Statement or such other security instrument as may be necessary to effect a first lien on such personal property in favor of the Mortgagee.

8. Any change in the sponsorship upon which this commitment is predicated must be requested in writing by the Mortgagee on behalf of any proposed substitute sponsor, and such request must be approved in writing by the Commissioner. Any sponsor or principal (including the principals of any parent entity of such sponsor or principal), who is now or who may later become involved in this project by way of financial interest, employment or otherwise, and who has not filed a certificate with the Commissioner fully disclosing his previous participation in FHA mortgage insurance programs, shall file such certificate on the form prescribed by the Commissioner and must be approved by the Commissioner.

9. All certificates, documents and agreements called for by this commitment shall be on forms approved or prescribed by the Commissioner and shall be completed, executed and filed in the number of copies and in such manner as he shall prescribe.

10. This commitment shall terminate on August 1, 1982 unless renewed or extended by the Commissioner. Prior to any renewal or extension of this commitment, the Commissioner may, at his option, reexamine the commitment to determine whether it shall be extended in the same amount, or shall be amended to include a lesser amount.

11. A request for the reopening of this commitment within 90 days of its termination must be accompanied by the opening fee prescribed by the Regulations.
12. The Design Architect and the Architect administering the construction contract shall each be covered by a policy of professional liability insurance in an amount consistent with insurance industry practice. At initial closing, there shall be provided for each Architect the writing agent's certificate in substantially the following form:

To: Mortgagee and Secretary of Housing and Urban Development

I certify that _____ is insured in the
(Name of Architect)

amount of \$ _____ under _____
(Name of Insurer)

Policy No. _____ of Architect and/or Engineers Professional Liability Insurance.

Your attention is directed to the Regulations covering the assignment or the transfer of the insured mortgage, in whole or in part, and the transfer of your rights, privileges, and obligations under the contract of mortgage insurance.

Special conditions set forth below or attached hereto and identified as additional numbered paragraphs are made a part hereof.

See Attached Schedule I

See Attached Schedule II

Dated December 29, 1981

Amended July 6, 1982

SECRETARY OF HOUSING AND URBAN DEVELOPMENT

BY: FEDERAL HOUSING COMMISSIONER

By _____
Authorized Agent

Conditions of the Commitment - Continued

13. Sponsor shall submit affirmative marketing plan to this office for approval prior to final proposal approval.
14. This project is subject to HUD environmental clearance and is expected to conform to all HUD policies and guidelines.
15. This Commitment is subject to the requirements of Executive Orders 11063 and 11247 relating to equal opportunity in housing.
16. Mortgagor must certify prior to initial closing that obligation under Regulatory Agreement, and/or Section 8, Housing Assistance Payments Contract, will be met, including obligation to obtain from each applicant for admission as a tenant, Form 52659 (Section 8), to assign living units to families consistent with individual family needs and to certify that maximum income limits established for Boston, Mass. as cited below, have not been exceeded.

80% Median Income Limits (Lower Income)

<u>1 Person</u>	<u>2 Persons</u>	<u>3 Persons</u>	<u>4 Persons</u>	<u>5 Persons</u>	<u>6 Persons</u>
\$15,250	\$17,400	\$19,550	\$21,750	\$23,100	\$24,450

50% Median Income Limits (Very Low Income)

<u>1 Person</u>	<u>2 Persons</u>	<u>3 Persons</u>	<u>4 Persons</u>	<u>5 Persons</u>	<u>6 Persons</u>
\$10,150	\$11,600	\$13,050	\$14,500	\$15,650	\$16,800.

17. Prior to initial endorsement, evidence of a 50% Performance Bond and a 50% Payment Bond, each in the amount of \$1,037,864 must be submitted to the closing attorney assigned to the project. As an alternative to the Bond Requirement, an FHA Completion Assurance Agreement, Form No. 2450, with an escrow in the amount of \$518,932 may be used.
18. Thirty days prior to initial endorsement, a copy of the proposed management contract, together with a resume of the background and experience of the Management Agent, shall be submitted for evaluation and approval by HUD. Also, a management plan must be furnished and Form 2530 must be submitted on the Management Agent.
19. If, at initial endorsement of the mortgage, there is in fact no identity of interest between the Mortgagor and the General Contractor, this case will be reprocessed to exclude the Builder's and Sponsor's Profit and Risk Allowance (BSPRA) and to substitute a typical Builder's Profit and Sponsor's Profit and Risk Allowance (SPRA).
20. At least thirty (30) days prior to initial endorsement, an "Estimated Progress Schedule for Work" must be submitted to HUD by the general contractor for review and approval by HUD.
21. Your attention is directed to the following points of information:
 - a. The construction period is 10 months.
 - b. Liquidated damages will be in the minimum amount of \$1,010.21 for each day of delay until the date of substantial completion.
 - c. The Management Fee established by the Management Contract shall not exceed \$13,183 (4% of Effective Gross Income) as established on processing form 2264 dated May 20, 1982
22. Mortgagor entity shall be established under Chapter 121A of the General Laws of the Commonwealth of Massachusetts to insure payment in lieu of taxes not to exceed 12% of Effective Gross Income. Thirty days prior to initial endorsement, evidence of compliance with this requirement shall be submitted to this office for review and approval.

(continued)

Conditions of the Commitment - Continued

23. Current Previous Participation Certificate utilizing Form HUD 2530 dated January, 1981 must be submitted for approval by HUD sixty (60) days prior to Initial Endorsement. Specifically, this office requires updated 2530's for the Sponsor/Developer, General Contractor and Managing Agent plus any other principals and their affiliates who propose participating in the captioned project.
24. Prior to initial endorsement of the project, the contractor must comply with the Equal Employment Opportunity Affirmative Action Requirement of the enclosed Bid Conditions.
25. This Commitment is subject to the requirements of Executive Order 11246, Equal Employment Opportunity. See attached Notice BAO 78-17 with attachments A, B and C for instructions.
26. This Commitment is conditioned upon the availability of an additional \$54,396 in Section 8 Contract Authority of which \$8,892 is attributable to cost increases subject to the Section 203(a) limitation and of which \$45,504 is attributable to a FAF increase.
27. In the event of any change in the sponsorship of this project or general partners of the partnership, this office must be notified immediately.
28. Fifteen (15) days prior to initial endorsement, the mortgagee shall submit evidence that it has a commitment for the permanent loan or some other firm written assurance demonstrating that permanent financing will be available at the rate shown in the firm commitment application.

Any form of assurance must address, but is not limited to, the source of the financing, the term, interest rate, extension provisions, dates for delivery of the permanent mortgage, and any conditions which are, will be part of, or will impact on, the permanent financing arrangements.
29. All outstanding Architectural and Engineering requirements are to be included, and all coordination of the drawings and specifications is to be completed prior to the submission of the closing exhibits.
30. The Section 8 Financial Adjustment Change requires that an escrow in the amount of \$84,300 be established to assure that funds are available to reduce the mortgage at final endorsement.
31. This firm commitment is conditioned on the subsequent availability of additional Section 8 funds to reflect the increased rents/expenses used in the processing of this firm commitment. It is further conditioned upon compliance with any policies governing the use of those funds. Such policies will include, at minimum, the Section 203(A) limitation on the use of Section 8 for projects with total housing expenses exceeding 110% of fair market rents and a per annum cap on amendments to original reservations.
32. The Contract Rents were approved pursuant to the Memorandum entitled 1981 Financing Adjustment. They may be increased or decreased prior to execution of the Agreement to Enter Housing Assistance Payments Contract, in an amount corresponding to the actual terms of permanent financing, up to a debt service rate corresponding to an interest rate of 12 percent. Any increase is subject to availability of contract and budget authority.
33. The project has been processed in accordance with the Memorandum entitled 1981 Financing Adjustment. The interest rate stated in the Contract Rents used in issuing this commitment will be amended accordingly, prior to initial endorsement. This commitment is subject to the execution of an Agreement to Enter Housing Assistance Payment Contract at Contract Rents determined under the procedures of that Memorandum. The base level debt service rate is 9.41880.
34. When the project has been completed and cost certified, the final contract rents and the disposition of the Financial Adjustment escrow will be determined.

Schedule II

Closing Requirements

In order to avoid any unexpected problems and accomplish prompt initial endorsement of this project, the following documents must be submitted to Ellen Kantrowitz, Multifamily Housing Representative, no later than 15 days prior to the proposed closing date:

1. Sponsor's confirmation of financial requirements and credit information.
2. All items listed in special conditions of this Commitment.
3. Surveyor's Report, Form 2457.
4. Certified legal survey and description of the property.
5. 6 sets of final drawings and specifications.
6. Rent Schedule, Form 92458.
7. Contractor's Certification Concerning Labor Standards and Prevailing Wage Requirements, Form 2482.
8. Building Permit.

The legal documents referred to in Condition 3 of the commitment must also be submitted to the HUD closing attorney at least 15 days prior to the proposed closing date. In addition, Form 2403, Request for Initial Advance, must be submitted to the HUD Mortgage Credit Branch no later than 5 days prior to the proposed closing.

Please note that a closing may not be scheduled until all exhibits have been received and found acceptable by this office.

August 5, 1982

MEMORANDUM

TO: BOSTON REDEVELOPMENT AUTHORITY

FROM: ROBERT J. RYAN, DIRECTOR

SUBJECT: CHAPTER 121A APPLICATION OF OXFORD PLACE ASSOCIATES

4222

On July 15, 1982, the Authority conducted a public hearing to consider the above-captioned 121A Application.

The Project consists of the rehabilitation, operation and maintenance by the Applicant of 39 apartment units of housing for persons of low income and handicapped persons at 13-25 Oxford Street in the Chinatown/Central Business District of Boston. The Project also includes the construction of an open park area adjacent to the units.

Authority staff has examined the application and found that it contained sufficient evidence in support of the Project to make those findings and determinations necessary to proceed with the approval of the Project. As a condition of approval of the application, the Report and Decision requires that all taxes owed by the Applicant or any partner thereof on any other property be discharged within 6 months.

An appropriate Vote follows:

VOTED: That the document presented at this meeting entitled "Report and Decision on the Application of Oxford Place Associates for the Authorization and Approval of a Project under Massachusetts General Laws (Ter. Ed.) Chapter 121A, as Amended, and Chapter 652 of the Acts of 1960, to be undertaken and carried out by a limited partnership organized pursuant to M.G.L. c. 109 and approval to act as an Urban Redevelopment Limited Partnership under said Chapter 121A" be and hereby is approved and adopted.

